



SCRUTINY BOARD (CENTRAL AND CORPORATE)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Wednesday, 15th September, 2010 at 10.00 am

MEMBERSHIP

Councillors

- P Grahame (Chair) - Cross Gates and Whinmoor;
S Bentley - Weetwood;
D Blackburn - Farnley and Wortley;
B Chastney - Weetwood;
M Hamilton - Headingley;
A Lowe - Armley;
N Taggart - Bramley and Stanningley;
J Hardy - Farnley and Wortley;
K Groves - Middleton Park;
J L Carter - Adel and Wharfedale;
R Wood - Calverley and Farsley;
A Gabriel - Beeston and Holbeck;

Please note: Certain or all items on this agenda may be recorded on tape

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LEEDS LS1 1UR
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Head of Scrutiny and Member
Development:
Peter Marrington
Tel: 39 51151

CONFIDENTIAL AND EXEMPT ITEMS

The reason for confidentiality or exemption is stated on the agenda and on each of the reports in terms of Access to Information Procedure Rules 9.2 or 10.4(1) to (7). The number or numbers stated in the agenda and reports correspond to the reasons for exemption / confidentiality below:

9.0 Confidential information – requirement to exclude public access

9.1 The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed. Likewise, public access to reports, background papers, and minutes will also be excluded.

9.2 Confidential information means

- (a) information given to the Council by a Government Department on terms which forbid its public disclosure or
- (b) information the disclosure of which to the public is prohibited by or under another Act or by Court Order. Generally personal information which identifies an individual, must not be disclosed under the data protection and human rights rules.

10.0 Exempt information – discretion to exclude public access

10.1 The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed provided:

- (a) the meeting resolves so to exclude the public, and that resolution identifies the proceedings or part of the proceedings to which it applies, and
- (b) that resolution states by reference to the descriptions in Schedule 12A to the Local Government Act 1972 (paragraph 10.4 below) the description of the exempt information giving rise to the exclusion of the public.
- (c) that resolution states, by reference to reasons given in a relevant report or otherwise, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

10.2 In these circumstances, public access to reports, background papers and minutes will also be excluded.

10.3 Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

10.4 Exempt information means information falling within the following categories (subject to any condition):

- 1 Information relating to any individual
- 2 Information which is likely to reveal the identity of an individual.
- 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 4 Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority.
- 5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- 6 Information which reveals that the authority proposes –
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment
- 7 Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Chief Democratic Services Officer at least 24 hours before the meeting.)</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p> <p>Agenda Item 7 – Reductions in Grants: Implications for Services</p>	

3

LATE ITEMS

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

DECLARATIONS OF INTEREST

To declare any personal / prejudicial interests for the purpose of Section 81 (3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct.

5

APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

To receive any apologies for absence and notification of substitutes.

6

CALL-IN OF DECISION - BRIEFING PAPER

1 - 4

To receive and consider the attached report of the Head of Scrutiny and Member Development

7

10.4(3)

REDUCTIONS IN GRANTS: IMPLICATIONS FOR SERVICES

5 - 24

To receive and consider the attached report of the Head of Scrutiny and Member Development

8

OUTCOME OF CALL-IN

In accordance with Scrutiny Board Procedure Rules, to consider the Board's formal conclusions and recommendation(s) arising from the consideration of the called-in decision

9

DATE AND TIME OF NEXT MEETING

To note that the next meeting of the Board will be held on Monday, 4 October at 10.00 am with a pre meeting for Board Members at 9.30 am.



Report of the Head of Scrutiny and Member Development

Scrutiny Board (Central & Corporate Functions)

Date: 15th September 2010

Subject: CALL- IN OF DECISION – BRIEFING PAPER

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 INTRODUCTION AND BACKGROUND

- 1.1 In accordance with the Council's Constitution, a decision of the Executive Board has been Called In.¹ The background papers to this particular decision are set out as a separate agenda item and appropriate witnesses have been invited to give supporting evidence.
- 1.2 This report advises the Scrutiny Board (Central & Corporate Functions) on the procedural aspects of Calling In the decision.
- 1.3 The Board is advised that the Call In is specific to the report considered by the Executive Board and issues outside of this decision, including other related decisions, may not be considered as part of the Board's decision regarding the outcome of the Call-In.

2.0 REVIEWING THE DECISION

- 2.1 The process of reviewing the decision is as follows:
- Members who have requested the Call-In invited to explain their concern/reason for Call-In request.
 - Relevant Executive Member/Officer(s) asked to explain decision.
 - Further questioning from the Board as appropriate.

¹ Scrutiny Board Procedure Rules Paragraph 21

OPTIONS AVAILABLE TO THE BOARD

- 3.1 Having reviewed the decision, the Scrutiny Board will need to agree what action it wishes to take. In doing so, it may pursue one of three courses of action as set out below:

Option 1- Release the decision for implementation

- 3.2 Having reviewed this decision, the Scrutiny Board may decide to release it for implementation. If the Scrutiny Board chooses this option, the decision will be immediately released for implementation and the decision may not be Called In again.

Option 2 - Recommend that the decision be reconsidered.

- 3.3 The Scrutiny Board may decide to recommend to the decision maker that the decision be reconsidered. If the Scrutiny Board chooses this option a report will be submitted to the Executive Board.
- 3.4 In the case of an Executive Board decision, the report of the Scrutiny Board will be presented to the next available meeting. The Executive Board will reconsider its decision and will publish the outcome of its deliberations within the minutes of the meeting. The decision may not be Called In again whether or not it is varied.

Option 3 - Recommend that the decision be reconsidered and refer the matter to full Council if recommendation not accepted.

- 3.5 This course of action would only apply if the Scrutiny Board determined that a decision **fell outside the Council's Budget and Policy Framework** and this determination were confirmed by the Council's Section 151 Officer (in relation to the budget) or Monitoring Officer (in relation to other policies).
- 3.6 If, at the conclusion of this meeting, the Scrutiny Board forms an initial determination that the decision in question should be challenged on the basis of contravening the Budget and Policy Framework, then confirmation will subsequently be sought from the appropriate statutory officer.
- 3.7 Should the statutory officer support the Scrutiny Board's determination, then the report of the Scrutiny Board will be presented in the same manner as for Option 2. If the decision maker accepts the recommendation of the Scrutiny Board in these circumstances, then the revised decision will be published in the same manner as for Option 2 and the decision may not be Called In again. If, however, the decision maker does not accept the recommendation of the Scrutiny Board, then the matter will be referred to full Council for final decision. Decisions of full Council may not be Called In.
- 3.8 Should the appropriate statutory officer not confirm that the decision contravenes the Budget and Policy Framework, then the report of the Scrutiny Board would normally be progressed as for Option 2 (i.e. presented as a recommendation to the decision taker) but with no recourse to full Council in the event that the decision is not varied. As with Option 2, no further Call-In of the decision would be possible.

3.9 However, the Scrutiny Board may resolve that, if the statutory officer does not confirm contravention of the Budget and Policy Framework, then it should be released for implementation in accordance with Option 1.

4.0 FAILURE TO AGREE ONE OF THE ABOVE OPTIONS

4.1 If the Scrutiny Board, for any reason, does not agree one of the above courses of action at this meeting, then Option 1 will be adopted by default, i.e. the decision will be released for implementation with no further recourse to Call-In.

5.0 FORMULATING THE BOARD'S REPORT

5.1 If the Scrutiny Board decides to release the decision for implementation (i.e. Option 1), then the Scrutiny Support Unit will process the necessary notifications and no further action is required by the Board.

5.2 If the Scrutiny Board wishes to recommend that the decision be reconsidered (i.e. Options 2 or 3), then it will be necessary for the Scrutiny Board to agree a report setting out its recommendation together with any supporting commentary.

5.3 Because of the tight timescales within which a decision Call-In must operate, it is important that the Scrutiny Board's report be agreed at the meeting.

5.4 If the Scrutiny Board decides to pursue either of Options 2 or 3, it is proposed that there be a short adjournment during which the Chair, in conjunction with the Scrutiny Support Unit, should prepare a brief statement proposing the Scrutiny Board's draft recommendations and supporting commentary. Upon reconvening, the Scrutiny Board will be invited to amend/ agree this statement as appropriate (a separate item has been included in the agenda for this purpose).

5.5 This statement will then form the basis of the Scrutiny Board's report (together with factual information as to details of the Called In decision, lists of evidence/witnesses considered, Members involved in the Call-In process etc).

5.6 The Scrutiny Board is advised that there is no provision within the Call In procedure for the submission of a Minority Report.

6.0 RECOMMENDATION

6.1 The Scrutiny Board (Central & Corporate Functions) is asked to note the contents of this report and the procedure as detailed within it.

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Report of the Head of Scrutiny and Member Development

Scrutiny Board (Central & Corporate Functions)

Date: 15th September 2010

Subject: Reductions in Grants: Implications for Services

Electoral Wards Affected: ALL

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 INTRODUCTION AND BACKGROUND

1.1 This paper presents the background papers to a decision which has been Called In in accordance with the Council's Constitution.¹

1.2 Papers are attached as follows:

- Copy of completed Call-In request form
- Report of the Director of Resources
- Supplementary information (Equality Impact information) circulated to Board Members prior to the meeting.
- Relevant extract of Executive Board Minutes of 25th August 2010

1.3 Appendix 2 of the Director's report was considered exempt by Executive Board under Rule 10.4 (3) of the Access to Information Procedure Rules

1.4 Appropriate Members and/or officers have been invited to attend the meeting in order to explain the decision and respond to questions.

2.0 RECOMMENDATION

2.1 The Scrutiny Board (Central & Corporate Services) is asked to review this decision and to determine what further action it wishes to take.

¹ Scrutiny Board Procedure Rules Paragraph 21

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CALL IN REQUEST – Option (a)

A Call In request may be made by:

Any five non-executive Members of council

Date of decision publication: 27/08/10
Delegated decision ref: N/A or
Executive Board Minute no: 71(b) or
Area Committee Name and decision ref: N/A
Decision description: Executive Board minutes from meeting held on 25/08/10

Discussion with Decision Maker:
Prior to submitting a Call In, a nominated signatory must first contact the relevant officer or Executive Member to discuss their concerns and their reasons for wanting to call in the decision. Please identify contact and provide detail.
 Director/author of delegated decision report.
 Executive Board Member
Detail: Cllr John Baxter spoke with Alan Gay on 06/08/10 + still wishes to proceed with a call in.

Reasons for Call In:
All requests for Call In must detail why, in the opinion of the signatories, the decision was not taken in accordance with the principles set out in Article 13 of the Council constitution (decision making) (principles of decision making) or where relevant issues do not appear to be taken into consideration. Please tick the relevant box(es) and give an explanation.

<input type="checkbox"/>	Proportionality (ie the action must be proportionate to the desired outcome)
<input type="checkbox"/>	Due consultation and the taking of professional advice from officers
<input type="checkbox"/>	Respect for human rights
<input checked="" type="checkbox"/>	A presumption in favour of openness
<input checked="" type="checkbox"/>	Clarity of aims and desired outcomes
<input checked="" type="checkbox"/>	An explanation of the options considered and details of the reasons for the decision
<input type="checkbox"/>	Positive promotion of equal opportunities
<input type="checkbox"/>	Natural justice

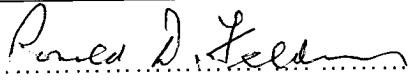
Explanation: The signatories have concerns about the use of 'pinks' on the report, the use of delegated decision to implement the measures + also the cuts + how decisions have been made on which cuts to make at what level + which organisations would be affected.

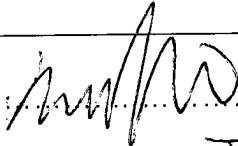
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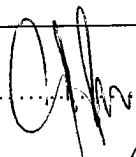
Leeds City Council Scrutiny Support Unit

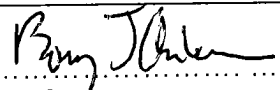
A Member cannot count as one of the two/five signatures if they are a member of the Scrutiny Board to which the Call In will be referred. In the case of decisions made by Area Committees, a Member cannot count as one of the two/five signatures if they are a member of that Area Committee.

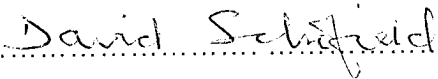
The following signatories request that the above decision be called in:

1) Signature.....	
Print name.....	RONALD D. FELDMAN

2) Signature.....	
Print name.....	John Praxton

3) Signature.....	
Print name.....	John Praxton

4) Signature.....	
Print name.....	Barry Anderson

5) Signature.....	
Print name.....	DAVID SCHOFIELD

This form should be submitted to the Head of Scrutiny and Member Development (Scrutiny Support Unit, 1st Floor West, Civic Hall) by **5.00pm on the fifth working day after the decision publication date**. The office is open from 9.00am to 5.00pm.

(For further information on the Call In procedure please refer to the Scrutiny Support Unit intranet site, or contact the Unit on 39 51151).

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APPENDIX 2 NOT FOR PUBLICATION

Exempt/Confidential under Rule 10.4 (3)

Report of the Director of Resources

Executive Board

Date: 25th August 2010

Subject: REDUCTIONS IN GRANTS - IMPLICATIONS FOR SERVICES

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

X

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

As part of the Government's accelerated deficit reduction plan, details of reductions in grants to Local Authorities totaling £1.166 billion in the current financial year were announced on the 10th June 2010ⁱ.

As reported to members on 22nd June 2010, there is a significant impact on the Council and the latest position is a reduction in revenue grants of £15.0m. The impact on capital grants is £10.2m, which is the subject of a separate report on this agenda.

This report outlines proposals from directorates on how the reductions are to be dealt with although there is still a funding gap of £1.5m. The impact of this gap is reflected in the first quarter financial health report which is a separate item on this agenda.

1.0 Purpose of this report

- 1.1 As reported to the Board on the 22nd June, as part of the Government's accelerated deficit reduction plan, details of reductions in grants to Local Authorities totaling £1.166 billion in the current financial year were announced on the 10th June 2010ⁱ.
- 1.2 The purpose of this report is to provide details of the reductions in grants for Leeds and proposals to deal with these.
- 1.3 This report contains information relating to the financial or business affairs of third parties and also contains information which is subject to ongoing negotiations. As such the release of information would be likely to prejudice the interest of all the parties concerned. Whilst there may be a public interest in disclosure, in all the circumstances of the case maintaining the exemption is considered to outweigh the public interest in disclosing this information at this time. It is therefore considered that Appendix 2 should be treated as exempt under Rule 10.4 (3) of the Access to Information Procedure Rules.

2. Impact of Grant Reductions

- 2.1 As previously reported, the impact of the Government announcement was to reduce the level of specific revenue grants to Leeds by £15.0m as follows:-

Area Based Grants	£m
Department for Education	5.089
Home Office	0.100
Supporting People	0.393
LEGI	0.912
Prevent	0.084
Road Safety Revenue	0.841
Sub Total ABG	7.419
Other Grants	
Housing Planning Delivery Grant	0.900
Free Swimming Grant	0.413
LABGI	0.628
Children's Services	0.349
Education	1.854
LPSA2 Reward Grant	3.482
Total	15.045

- 2.2 The scale of these grant reductions and the fact that they have been notified part way through the year does present the Council with a significant difficulty in managing them. Directorates were tasked with bringing forward proposals for dealing with the reductions and these are discussed below. It should be noted that it has not been possible to identify savings to the equivalent scale of the grant reductions and also that the proposals that have been put forward are not without risk.

3. Proposals

3.1 Appendix 1 provides details of directorate proposals for dealing with the reduction in grants shown above and Appendix 2 summarises the impact on external providers.

3.2 Area Based Grant

3.2.1 Area Based Grants (ABG) are not ringfenced and can be used by the Council as it sees fit. The total allocation for 2010/11 is £73.5m and these sums have been allocated to projects and approved by Council as part of the 2010/11 budget.

3.2.2 Children's Services - £21.323m was allocated to Children's Services of which £5.061m has been cut. The Directorate has identified proposals for £4.8m of savings to reduce the gap. This leaves £0.25m of schemes unfunded.

3.2.3 Within Environment and Neighbourhoods, whilst the Supporting People initiative has not been cut, the whole of the administration grant of £0.393m has, and it is proposed to contain this within the main Supporting People funding of £31.981m by identifying efficiency savings. Other ABG schemes total £1.455m and this can be managed or alternative funding found, with the exception of £0.015m for Respect – task force.

3.2.4 City development has two schemes within the ABG - £3.9m of the Local Enterprise Growth Scheme and an allocation of £3.157m for Road Safety throughout West Yorkshire. The LEGI programme has now been reviewed and all planned projects will still operate in 2010/11 but at a reduced level. The West Yorkshire Road Safety reduction of £841k will be managed by reducing spend on road safety initiatives. The Leeds element of this is £282k.

3.3 Other Revenue Grants – LPSA 2 performance reward grant

3.3.1 The Leeds reward grant, for targets achieved between 2006 and 2009, was agreed at £13m by the previous government, of which 50% was revenue and 50% capital. CLG have now confirmed that authorities will receive only 50% of the value of any targets achieved, so Leeds will now receive £6.5m.

3.3.2 The Council's 2010/11 revenue base budget includes £1.532m within Environment & Neighbourhoods, mainly supporting schemes previously funded by NRF. The directorate has identified proposals to address £1.167m of this pressure.

3.3.3 Around £2m has been allocated to partners within the LAA, many of whom contributed significantly to achieving the agreed targets that helped to earn the Reward Grant. Of this, £938k was the subject of a bidding process co-ordinated through the Public Sector Resources Partnership Group to provide funding for innovation and challenge schemes. However, no funding agreements were signed for these schemes and it is proposed that these schemes will not now be supported.

3.3.4 Of the remaining £1m, proposals totaling £0.783m have been identified to mitigate the loss of funding.

3.4 Other Revenue Grants - Other

3.4.1 Housing and Planning Delivery Grant was included in the 2010/11 budget at £0.9m, although no formal notification had been received from Government. This grant has

now been abolished and the shortfall will be managed within City Development's overall budget, including reducing highway maintenance which had already been enhanced by additional grant earlier in the year.

- 3.4.2 The Free Swimming grant of £0.619m came to an end 31st July 2010, giving a reduction for the year of £0.413m. Although the service plans to reintroduce charges to mitigate this reduction, there is expected to be a net cost of £0.15m which is currently unfunded.
- 3.4.3 The Local Authority Business Growth Incentive Scheme (LABGI) funding was assumed in the budget at £0.5m, although the Council was subsequently notified that the allocation for the year would be £0.628m. This grant has now been abolished, and will now be a pressure of £0.5m on the Council's overall bottom line.
- 3.4.4 Nursery Education Pathfinder Grant of £0.153m is to be managed by reducing funding to early education providers, and Buddying and Playbuilder grants of £0.178m and £0.018m respectively are to be dealt with by ceasing programmed spend.
- 3.4.5 Specific Education grant reductions of £1.854m are to be managed by reducing programmed spend.

4. Conclusion

- 4.1 There remains £1.5m of revenue spending supported by grants which have now been cut and the impact of this is reflected in the first quarter financial health report.

5. Recommendation

- 5.1 Members are requested to approve the following virements in respect of the in year reductions in grant as detailed at paragraph 2.1:

- a virement from the Strategic budget to services to reflect the reductions in Area Based Grant and the LPSA2 Reward grant which are held centrally;
- a virement within City Development directorate to reflect the loss of Housing and Planning Delivery Grant and Free Swimming grant;
- a virement within Children's Services in respect of Nursery Education Pathfinder Grant, Buddying, Playbuilder, Training and Development Agency, Contact Point, Harnessing technology and Local Delivery Support grants.

and

- the reductions in expenditure/additional income as detailed in Appendix 1.
- 5.2 Members are also requested to note the proposed reductions in payments to external providers detailed at Appendix 2. Decisions will be taken by officers under delegated powers in consultation with the appropriate Executive Members when negotiations have been concluded.

Background Documents

ⁱ 'Local Government's Contribution to £6.2bn efficiencies in 2010-11', Letter from DCLG to Local Authority Chief Executives, 10th June 2010.

Proposed Actions for dealing with grant fall out - 2010-11

Appendix 1

Service	Grant	BUDGET 2010-11	Reduction	Proposed Saving	Proposed Action	Revised Pressure
		£	£	£		
Area Based Grant						
Community safety	Crime Reduction, Drugs Strategy and Anti-Social Behaviour (SSCF)	937,163	73,000	(73,000)	Service to continue. SSCF funding will be re-directed to fund the Business Development Manager and an application for £10k will be made to the Joint Commissioning Group for funding for the Chief Officer Drugs from the Safer Leeds Drugs Budget	-
Community safety	Respect - Youth Task Force	230,000	55,200	(40,200)	Service reduction. Contribution of £9k to the Needle-picking service will not now be made. This will be absorbed within Streetscene Services. Activities such as delivering burglary and personal safety advice to all new students during freshers week will cease as will the parking meet and greet scheme which provides crime reduction advice in city centre car parks to Christmas shoppers. Discussions will take place with the universities on a plan to mitigate this funding reduction. Taxi Marshalling (£15k) throughout the Christmas and New Year period will remain.	15,000
Regen	Preventing Extremism	287,830	84,000	(84,000)	Service to continue. Other funding sources have been secured to replace this reduction in funding. These include West Yorkshire Police, the Home Office and CLG.	-
housing	Supporting People Administration	392,752	392,752	(392,752)	Service to continue. Savings to compensate for these reductions have been identified through efficiencies and a higher level of voids.	-
total E&N		1,847,745	604,952	(589,952)		15,000
IYSS	Connexions	6,529,178	1,987,011	(1,987,011)	There is a detailed strategy in place to review all contracts and funding agreements across in-house, private and voluntary sectors to reduce overall cost in line with the budget reductions and also to prioritise resources toward the targeted & specialist provision. Whilst there is a strategy and implementation plan in place, the scale of the reductions mean that this will be challenging to implement in full in 2010/11. The impact/risk will be against the NEET/Not known figures although this will be mitigated by focussing the remaining funding on the targeted & specialist provision. LCC still has a statutory responsibility for universal advice & guidance. In addition, the budget strategy recognises the removal of the ring-fence on the Youth Opportunities Fund.	-
IYSS	Positive Activities for Young People	1,750,036				-
CYPSC	Care Matters	889,705	213,529	(223,059)	Detailed proposals are being worked up to reduce 2010/11 spending plans in respect of personal tuition for Looked After Children, although alternatives that have less impact on vulnerable groups are being evaluated.	9,530
CYPSC	Designated Teacher Funding	39,708	9,530		see care matters above	9,530
CYPSC	Child Trust Fund	32,158	7,718	(25,000)	It is proposed to cease this function. There is a requirement to top-up Child Trust Funds for LAC. Given that other local authorities have never put this in place, the risk/impact is minimal	(17,282)
CYPSC	Children's Social Care workforce	226,279	54,307		Budget funds recharge from in-house team (Employee Development Unit) - no specific savings proposals identified at period 3, although all opportunities will be explored to reduce costs in line with the budget reductions.	54,307
DCS	LSC Staff Transfer (Special Purpose Grant)	597,293	143,350	(50,000)	Minimal risk. Savings will be delivered against the staffing budget (minor impact on running costs). Other options will be explored to deliver the £93k remaining budget shortfall.	93,350
DCS	Teenage Pregnancy Support	448,000	107,520	(60,000)	Minimal risk. Savings will be delivered via reductions in the TP commissioning programme. Other options will be explored to deliver the £48k budget shortfall.	47,520
DCS	Child Death Review Cases	95,823	22,998		No specific savings proposals have been identified at period 3, although the service is working on options to reduce costs in line with the budget reductions.	22,998
YOS	Substance Misuse	95,835	23,000		No specific savings proposals have been identified at period 3, although the service is working on options to reduce costs in line with the budget reductions.	23,000
Early Years	Children's Fund	2,092,599	502,224	(502,224)	There is a detailed plan to review and reduce all Early Years & Leeds Children's Fund grants and contracts, across both internal and externally provided services, in order to deliver the £0.5m budget reduction in 2010/11.	-
City Dev	School Travel Advisers	84,000	20,160	(20,160)	The budget is mostly staffing but the service will reduce running costs where possible and manage the rest of the reduction from other operational budgets.	-
City Dev	Sustainable Travel - General Duty	51,222	12,293	(12,293)	The budget is mostly staffing but the service will reduce running costs where possible and manage the rest of the reduction from other operational budgets.	-
Education Leeds	Various - includes National Strategies, school Development and Intervention, Extended Services and School Improvement Partners	8,043,696	1,930,487	(1,930,487)	Vacant posts across all EL services, reduce running costs, reduce provision for Soulbury pay award. Freeze filling of non-critical posts and restricting non-essential spend. A £1.9m variation to the Education Leeds contract will be made to reflect the reduction in funding.	-
Total DfE Grants		20,975,532	5,034,127	(4,810,234)		223,893
Home Office Grants - CYPSC	Substance Misuse	347,660	27,000			27,000
Total Children's		21,323,192	5,061,127	(4,810,234)		250,893
Economic Services	LEGI	3,900,000	912,000	(912,000)	Agreement has now been reached with all projects to manage this reduction from the current in year programme. Individual project budgets have been reduced but all planned projects will still operate in 2010/11 but at reduced levels.	-
Highways	Road Safety (West Yorkshire Total)	3,156,695	841,000	(841,000)	This is a grant for all West Yorkshire districts (£3,156.7m). All the districts contribute to a road safety district partnership and the impact of the cut will be to reduce spend on road safety initiatives in the sum of £841k in total.	-
Total City Development		7,056,695	1,753,000	(1,753,000)		-
Total Area Based Grant		30,227,632	7,419,079	(7,153,186)		265,893

Service	Grant	BUDGET 2010-11	Reduction	Proposed Saving	Proposed Action	Revised Pressure
		£	£	£		
Other Grants						
Planning	Housing Planning Delivery Grant	900,000	900,000	(900,000)	Although no formal announcement for 2010/11 the budget provided for £900k based on announcements regarding the size of the national pot. This pot has now been abolished. The loss of grant will be managed by savings options put forward by the directorate. These include reducing spend on highway maintenance which had already been enhanced by additional grant earlier in the year.	-
Sport and Active Recreation	Free Swimming Grant	619,000	413,000	(263,000)	The free swimming grant will end on 31.7.10. The service will re-introduce charges for over 60s from 1 August but charges for under 16s will not be re-introduced until 1 September. There will be a net cost of approximately £150k which will need to be funded by savings options currently being looked at by the directorate.	150,000
Strategic	Local Authority Business growth incentive scheme	628,000	628,000	(128,000)	The budget provided for £500k based on the national pot. The Council received formal notification of an increase to £628k. However this grant has now been abolished. As this is a strategic budget the shortfall will have to be met from within overall council resources.	500,000
Education Leeds	TDA Grant - School Support Staff Training	242,000	242,000	(242,000)	Grant funded training for school support staff to cease.	-
Education Leeds	TDA Grant - Workforce Reform	180,000	65,000	(65,000)	Staff to be redeployed. (Nov 2010)	-
Education Leeds	Contact Point	244,000	142,000	(142,000)	Staff to be redeployed. (Aug 2010)	-
Education Leeds	Harnessing technology (Standards Fund)	652,000	326,000	(326,000)	Renegotiate contract with external provider, scale back Leeds Learning Network development work, reduce support for Primary Capital & Basic Need Schools.	-
Schools	Harnessing technology (Standards Fund)	1,958,000	979,000	(979,000)	Schools already notified of devolved grant reduction.	-
Schools, Colleges and Education Leeds	Local Delivery Support Grant	472,000	100,000	(100,000)	Reduction in funding for Schools, Colleges and Education Leeds to support the delivery of diplomas	-
Children's	Nursery Ed Pathfinder Grant (Standards fund)		153,000	(153,000)	Reduced funding to early education providers, including schools, children's centres and other providers	-
Children's	Buddying		178,000	(178,000)	Programme stopped	-
Children's	Playbuilder		18,000	(18,000)	Programme stopped	-
Sub-Total Other Grants		5,895,000	4,144,000	(3,494,000)		650,000
LPSA2 Reward Grant						
Innovation Schemes						
Voluntary Sector		938,287	938,287	(938,287)	This element of the reward grant was the subject of a bidding process co-ordinated through the Public Sector Resources Partnership Group. £938k was allocated to innovation and challenge schemes, although no funding agreements have been signed. These schemes will not now be supported (see Appendix 2)	-
Sustaining High Performance/Not on Track						
E&N	Fire Service	55,584	55,584	(55,584)	Grant stopped. This element of the reward grant was to be used to second a police officer to the fire service. However the secondment process has been delayed and it is proposed not to progress the scheme.	-
EL	Healthy Schools	150,000	150,000	(150,000)	Funding was to be devolved to 75 schools in the most deprived areas of the city in order to help them achieve the Healthy School Standard which focuses on teenage pregnancy, obesity, emotional health, alcohol/drugs/tobacco. These schools have proved particularly difficult to engage with and this funding was to provide them with the incentive to kick-start the process.	-
Children's	Youth Offending Service	60,249	60,249	0	No specific proposals but hoped to be achieved by youth justice workers staff turnover	60,249
E&N	Domestic Violence	51,850	51,850	(51,850)	Service to continue. Alternative funding identified within the Safer Leeds Partnership.	-
EL	Improving Attendance - Pupil Referral Unit/WY Police Safer Schools Police officer	43,552	43,552	0	The implication of not receiving this funding means that the project would be unable to go ahead. This in turn would impact on the prevention and reduction of fixed term exclusions across the city. In addition considerable value for money would be lost in respect of cost of custody and exclusion per pupil head.	43,552
E&N	Worklessness	250,000	250,000	(250,000)	Service reduction. This funded the 4Families project which provided support to families who are in the 4 worst areas for benefit dependency. This scheme has now ceased. The results of the pilot are being considered in an overall review of family support services.	-
Children's	NEET	200,000	200,000	(176,000)	Programme stopped	24,000
Children's	Safeguarding	200,000	200,000	(100,000)	Initial proposal to utilise LPSA reward funding to support 3 projects - workforce development/training to support the development of an integrated service for looked after children (£50k), project management to develop pathways into employment (£30k) and a Family Group Conferencing (FGC) pilot aimed at reducing the need for children to come into care (£120k). Only the Family Group Conferencing scheme will now proceed and budget resource will need to be re-prioritised from elsewhere within the service.	100,000
Base Budget						
Jobs and Skills	Leeds Incapacity employment project - Area Ambassadors	22,320	22,320		Service to continue.	22,320
Jobs and Skills	Jobstart	31,360	31,360		Service to continue.	31,360
Community Safety	PCSOs	51,350	51,350	(51,350)	Service to continue. Total spend is £1465k which contributes towards the costs of 170 PCSOs. Leeds City Council match fund the Police Community Support Officers to work as part of Ward based Neighbourhood Policing Teams. PCSOs are employed by West Yorkshire Police. Shortfall in funding means redirecting SSCF resources that were earmarked to support priority areas.	-
Community Safety	CCTV - LeedsWatch Local and Mobile CCTV vans	192,280	192,280	(192,280)	Service to continue. £50k has been identified from within the Community Safety budget. The balance, £142k, is funded by redirecting SSCF resources.	-
HEAS	Empty Property team	49,500	49,500	0	Service to continue	49,500
HEAS	Out of Hours Noise Service	100,000	100,000	0	Service to continue	100,000
HEAS	Community Enforcement officers	293,100	293,100	(293,100)	No reduction in service. Alternative funding to be sought.	-
HEAS	Contribution to seconded police officer	10,000	10,000	(10,000)	Post Vacant	-
Environmental Services	Bin Yards	115,120	115,120	(54,490)	Additional funding identified but the balance is a pressure to the service.	60,630
Environmental Services	Graffiti Teams	102,380	102,380	0	This is a budget pressure to the service.	102,380
Environmental Services	INM Street Cleansing	565,510	565,510	(565,510)	Service Reduction;- Budget provision of £250k has been realigned to the Street Cleansing service from central contingency to partially offset the loss of grant. The loss of the remaining balance has meant a reduction of 23 operatives in the service (non LCC employees) . The service is revising its operations to mitigate some of the impact, but inevitably there will be some reductions in service.	-
Total LPSA Reward Grant		3,482,442	3,482,442	(2,888,451)		593,991
Grand Total		39,605,074	15,045,521	(13,535,637)		1,509,884

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Addendum to Executive Board Report on Equality Impact of Reduction in Grants – Implications for Services

In response to the Government's accelerated deficit reduction plan, work has been carried out across directorates to identify reductions in expenditure/additional income. This work has included consideration of the equality impacts of these decisions.

Equality legislation requires public sector bodies to consider the impact of changes to policy and spending on equality groups and the Council has an equality impact assessment process in place. In particular, the current and future financial challenges that local authorities face are likely to have a disproportionate impact on equality groups based on national research and guidance.

In formulating the proposed actions in appendix 1, a range of equality considerations/impacts have been taken into account and these are outlined below.

The proposed reduction in payments to external providers outlined in appendix 2 will be subject to decisions under delegated powers in consultation with the appropriate Executive Member(s). An equality impact assessment will be undertaken by the lead officer on each of these decisions where appropriate.

Work on the proposed action for dealing with grant fallout clearly shows that there will be a disproportionate impact on children and young people's services which were dependent on Area Based Grant funding.

Given the urgent nature of the impending budget reduction requirement, services were unable to enact full or specific Equality Impact Assessments. However, to ensure that an equitable and fair approach was applied to the budget reduction process, some services identified a set of principles which were adopted by all the lead officers and commissioners. These specifically identified:

- Sharing the burden of the cuts across all funding streams not just those funded through the Area Based Grant
- Protecting small organisations and not including those with a grant or SLA under 15k
- Protecting services that deliver to vulnerable families and young people with high levels of need, for example, universal services taking a larger hit than specialist services
- Exploring and applying in-house savings wherever possible
- Looking at cumulative effects on the budgets of organisations that may rely on several funding sources from different council directorates
- Working closely with outside funders such as the NHS to minimise impact on providers with multiple contracts from several sources.

This means that we are able to demonstrate equality considerations have been taken into account in developing the proposed actions. This includes:

- Reduction rather than removal of service which will be facilitated by a redirection of resources
- Identification of appropriate ways to mitigate any adverse impacts on those organisations supporting vulnerable groups, particularly, young people
- Understanding the risk on targeted services for vulnerable groups and putting steps in place to minimise risk with the aim of reducing the impact upon organisations in receipt of a number of contracts via the council
- Initial discussions with community groups/external providers on the proposals

It is recognised that the majority of the funding proposals in this paper provided funding for additional rather than core services. This has resulted in some difficult decisions where it has been recognised that there would potentially be an impact on equality groups and action has (or is being) taken to identify ways of minimising risk and impact.

This issue is likely to be a factor as we move forward in this area and equality impact considerations will need to feature in all future budget reduction/setting priorities. In particular, the need to ensure that all proposals are considered as a package to understand and mitigate impact across all communities and services. This will be developed for all future budget reduction/setting decisions.

EXECUTIVE BOARD

WEDNESDAY, 25TH AUGUST, 2010

PRESENT: Councillor K Wakefield in the Chair

Councillors A Blackburn, J Blake, A Carter,
S Golton, P Gruen, R Lewis, T Murray and
L Yeadon

Councillor J Dowson – Non-Voting Advisory Member

57 Substitute Member

Under the terms of Executive Procedure Rule 2.3, Councillor Mulherin was invited to attend the meeting on behalf of Councillor Ogilvie.

58 Exempt Information - Possible Exclusion of the Press and Public

RESOLVED – That the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-

- (a) Appendix 1 to the report referred to in Minute No. 62, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the information contained therein relates to the commercial position of the City Council in respect of the proposed procurement. Therefore, the public interest in maintaining the confidentiality outweighs the public interest in disclosing such information.

Appendix 4 to the report referred to in Minute No. 62, which has been placed in the Members' Library for inspection, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it contains information about the commercial position of the City Council. Therefore the public interest in maintaining confidentiality outweighs the public interest in disclosing such information.

- (b) Appendix 2 to the report referred to in Minute No. 71(b), under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it contains information relating to the financial or business affairs of third parties and also contains information which is subject to ongoing negotiations. As such, the release of this information would be likely to prejudice the interest of all the parties concerned. Whilst there may be a public interest in disclosure, in all the circumstances of the case maintaining the exemption is considered to outweigh the public interest in disclosing this information at this time.
- (c) Appendix 2 to the report referred to in Minute No. 74, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the public interest in maintaining the exemption in relation to this information

outweighs the public interest in disclosure, by reason of the fact that it contains information and financial details which, if disclosed, would adversely affect the business of the Council and may also adversely affect the business affairs of the other parties concerned.

59 Late Items

There were no late items as such, however it was noted that supplementary information had been circulated to Board Members prior to the meeting which provided details of the equality impact assessment undertaken in respect of the proposals within the report on grant reductions (Minute No. 71(b) refers).

60 Declaration of Interests

Councillor Yeadon declared a personal interest in the item relating to grant reductions (Minute No. 71(b) refers), due to being a former employee of an organisation referred to in exempt appendix 2 of the submitted report and having close personal connections with employees of that organisation.

Councillor Murray declared a personal interest in the item relating to the lease of the St. Aidan's Trust Land to the RSPB (Minute No. 76 refers), as a Council representative on the St. Aidan's Trust Fund and Trust Land Advisory Committee. Councillor Murray also declared a personal interest in the item relating to grant reductions (Minute No. 71(b) refers), due to being a Director of an organisation referred to in exempt appendix 2 of the submitted report and a personal and prejudicial interest in this item as the Chief Executive of a separate organisation detailed within the same appendix.

Councillor Blake declared a personal interest in the item relating to grant reductions (Minute No. 71(b) refers), due to being vice chair of the trustees of an organisation referred to in exempt appendix 2 of the submitted report.

Councillor Wakefield declared a personal and prejudicial interest in the item relating to grant reductions (Minute No. 71(b) refers), due to being a member of and having close personal connections with an organisation referred to in exempt appendix 2 of the submitted report.

Councillor Golton declared a personal interest in the item relating to the Primary Capital Programme (Minute No. 66 refers), due to his position of governor of Oulton Primary School.

A further declaration of interest was made at a later point in the meeting. (Minute No. 66 refers).

RESOURCES AND CORPORATE FUNCTIONS

71 Financial Health Monitoring 2010/2011

(a) Financial Health Monitoring 2010/2011: First Quarter Report

The Director of Resources submitted a report providing an update on the financial health of the authority for 2010/2011 after three months of the financial

year. The report provided details of the revenue budget, the housing revenue account and Council Tax collection rates. The report also identified a number of pressures, particularly in relation to income and demand led budgets and the actions being taken by directorates to address such pressures.

RESOLVED –

- (a) That the projected financial position of the authority after three months of the new financial year be noted, and that directorates be requested to continue to develop and implement action plans which are robust and which will deliver a balanced budget by the year end.
 - (b) That a virement of £500,000 from the training budget into the domiciliary care budget, as detailed within the submitted Adult Social Care report, be approved.
 - (c) That the reallocation of budgets within Adult Social Care to reflect revised management arrangements, as detailed within the submitted Adult Social Care report, be noted.
- (b) Reductions In Grants: Implications for Services
Further to Minute No. 16, 22nd June 2010, the Director of Resources submitted a report providing details of the implications for Leeds arising from the grant reductions to Local Authorities announced by Government as part of its accelerated deficit reduction plan and outlining proposals to deal with such reductions.

Supplementary information had been circulated to Board Members prior to the meeting which provided details of the equality impact assessment undertaken in respect of the proposals detailed within this report.

Officers undertook to provide the relevant Board Members with information in response to issues raised during the consideration of this item in respect of specific organisations detailed in exempt appendix 2.

The Chief Executive invited Members to submit any views they had in respect of how potential impacts could be effectively assessed as part of the overall budgetary process.

Following consideration of appendix 2 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That the following virements in respect of the in year reductions in grants, as detailed at paragraph 2.1 of the submitted report be approved:
 - a virement from the Strategic budget to services to reflect the reductions in Area Based Grant and the LPSA2 Reward grant which are held centrally;

- a virement within City Development directorate to reflect the loss of Housing and Planning Delivery Grant and Free Swimming grant;
 - a virement within Children's Services in respect of Nursery Education Pathfinder Grant, Buddying, Playbuilder, Training and Development Agency, Contact Point, Harnessing technology and Local Delivery Support grants.
- (b) That the reductions in expenditure/additional income, as detailed in Appendix 1 to the submitted report, be approved.
- (c) That the proposed reductions in payments to external providers, as detailed at exempt appendix 2 to the submitted report be noted, with the relevant decisions being taken by officers under delegated powers in consultation with the appropriate Executive Members when negotiations have been concluded.

(Having declared a personal and prejudicial interest in relation to the matter considered at Minute No. 71(b), due to being a member of and having close personal connections with an organisation referred to in exempt appendix 2 of the submitted report, Councillor Wakefield vacated the Chair in favour of Councillor R Lewis and withdrew from the meeting room for the duration of this item)

(Having declared a personal and prejudicial interest in relation to the matter considered at Minute No. 71(b), as the Chief Executive of an organisation referred to in exempt appendix 2 of the submitted report, Councillor Murray withdrew from the meeting room for the duration of this item)

(Under the provisions of Council Procedure Rule 16.5, Councillors A Carter and Golton required it to be recorded that they had abstained from voting on the matters referred to within Minute Nos. 71(a) and 71(b))